

SUMMARY OF FINDINGS FROM THE VERMONT ATTORNEY GENERAL'S *WHERE HAVE ALL THE DOLLARS GONE (2009)?*

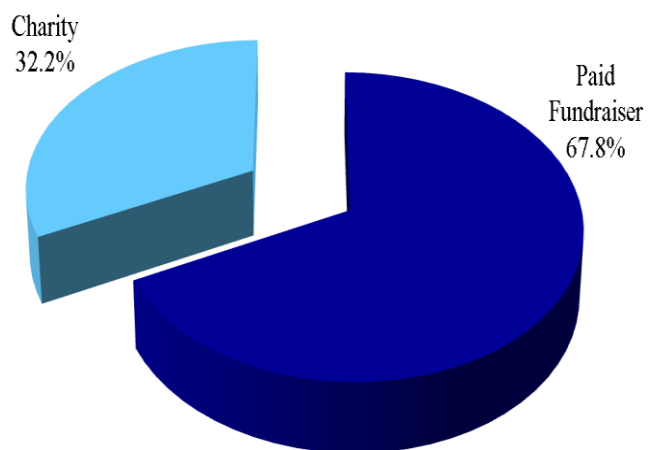
This report covers charitable fundraising campaigns begun in Vermont by paid fundraisers during the three-year period July 1, 2006, through June 30, 2009. The data is derived from those campaigns for which a financial report was filed by the fundraiser as required by state law. Contributions to charities that did not use a paid fundraiser are not addressed. Here are the highlights of the report:

- A total of 40 paid fundraisers initiated 676 campaigns in Vermont on behalf of 282 charities during the period covered by this report. In all, 497 financial reports were filed for these campaigns.
- Of the 676 campaigns, 80 were conducted for 38 in-state charities (resulting in 69 financial reports from 35 charities), and 596 were conducted for 244 out-of-state charities (428 financial reports from 206 charities).
- According to the financial reports filed, Vermonters contributed over \$8.4 million in response to campaigns run by paid fundraisers—about \$6.1 million in campaigns for in-state charities, and over \$2.4 million in campaigns for out-of-state charities.
- *Of the total contributions made to all charities using paid fundraisers, over \$5.7 million, or 67.8%, went to the paid fundraisers for commissions or expenses, and over \$2.6 million, or 32.2%, went to the charities. (This is called “the split.”)*
- The average split varied by the various attributes of the campaign. Fundraisers received a higher percentage of gross contributions when they (1) worked for in-state charities (73.4% v. 53.3% for out-of-state charities); (2) contacted prospective donors by telephone; (3) sold goods or services as part of the campaign; or (4) were compensated based on a percentage of contributions made. Campaigns involving the sale of concert tickets or other goods or services allocated 77.0% of gross contributions to the fundraisers.
- Of the 497 campaigns whose financial data is analyzed in the report, 132, or 26.6%, involved payment to the fundraiser of between 61% and 80% of the gross contribution, and 85, or 17.1%, involved payment to the fundraiser of over 80% of the contributions.

- The Vermont Attorney General’s Office posts the percentage of contributions that goes to each paid fundraiser on its website. (Go to www.atg.state.vt.us, click on “Charities/Paid Fundraisers” and then on “Data from Paid Fundraisers.”)
- Of the \$3.2 million raised for the Professional Fire Fighters of Vermont, 78.8%, or more than \$2.5 million, went to the paid fundraiser.
- To find out how charities use their contributions, Vermonters can look to organizations that rate charities according to particular standards, including the Better Business Bureau (www.bbb.org/us/Charity-Standards), Charity Navigator (www.charitynavigator.org), and the American Institute of Philanthropy (www.charitywatch.org/criteria.html). A common standard is that a charity should spend no more than 35% of related contributions on fundraising.
- For charities seeking to maximize their share of fundraiser-conducted campaigns, this report suggests that attention should be paid to the terms of their contracts with the fundraisers. In particular, charities should “comparison-shop” for the best deal available from fundraisers—since the “split” does vary widely in the industry.

Allocation of Contributions

For All Campaigns



For Professional Fire Fighters of VT

